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Chapter 7

8 Attorneys for Defendant Timur Usmanov
9

10 UNITED STATES BANKRUPTCY COURT
11 EASTERN DISTRICT OF WASHINGTON

12 In Re:

13 GIGA WATT, Inc., a Washington
14 corporation,

15 Debtor.

16 MARK D. WALDRON, as Chapter 7
17 Trustee,

18 Plaintiff,

19 v.

20 PERKINS COIE LLP, a Washington
21 limited liability partnership, LOWELL
NESS, individual and California
resident, and TIMUR USMANOV,
individual and Russian citizen,

22 Defendants,

23 NO. 18-03197 FPC 11

24 ADV. No. 20-80031

25 DEFENDANT TIMUR USMANOV'S
ANSWER TO FIRST AMENDED
COMPLAINT

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 1

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1 Defendant Timur Usmanov (“Defendant Usmanov”), by and through his
2 attorneys of record, Lukins & Annis, P.S., hereby answers Plaintiff’s First
3 Amended Complaint as follows:

4 **SUBJECT MATTER JURISDICTION AND VENUE**

5 1. Admit.
6 2. Admit.

7 **PARTIES**

8 3. Defendant Usmanov is without sufficient information to admit or
9 deny the allegations in Paragraph 3 and therefore denies the same.

10 4. Defendant Usmanov is without sufficient information to admit or
11 deny the allegations in Paragraph 4 and therefore denies the same.

12 5. Defendant Usmanov is without sufficient information to admit or
13 deny the allegations in Paragraph 5 and therefore denies the same.

14 6. Defendant Usmanov admits that he was the CFO of Giga Watt for a
15 certain time period, but denies the remaining allegations in Paragraph 6.

16 **PRELIMINARY STATEMENT**

17 7. The allegations contained in Paragraph 7 contain conclusions of law
18 requiring no response. To the extent a responsive pleading is required, Defendant
19 Usmanov denies the same. Defendant denies the remaining allegations.

20 DEFENDANT TIMUR USMANOV’S ANSWER TO
21 FIRST AMENDED COMPLAINT: 2

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1 8. The allegations contained in Paragraph 8 contain conclusions of law
2 requiring no response. To the extent a responsive pleading is required, Defendant
3 Usmanov denies the same. Defendant denies the remaining allegations.
4

5 9. The allegations contained in Paragraph 9 contain conclusions of law
6 requiring no response. To the extent a responsive pleading is required, Defendant
7 Usmanov denies the same. Defendant denies the remaining allegations.
8

GENERAL ALLEGATIONS

9 10. Defendant Usmanov is without sufficient information to admit or
10 deny the allegations in Paragraph 10 and therefore denies the same.
11

12 11. Defendant Usmanov is without sufficient information to admit or
13 deny the allegations in Paragraph 11 and therefore denies the same.
14

15 12. Defendant Usmanov is without sufficient information to admit or
16 deny the allegations in Paragraph 12 and therefore denies the same.
17

18 13. Defendant Usmanov is without sufficient information to admit or
19 deny the allegations in Paragraph 13 and therefore denies the same.
20

21 14. Defendant Usmanov is without sufficient information to admit or
22 deny the allegations in Paragraph 14 and therefore denies the same.
23

24 15. The allegations contained in Paragraph 15 contain conclusions of
25 law requiring no response. To the extent a responsive pleading is required,
DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 3
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1 16. Defendant Usmanov is without sufficient information to admit or
2 deny the allegations in Paragraph 16 and therefore denies the same.
3

4 17. Defendant Usmanov is without sufficient information to admit or
5 deny the allegations in Paragraph 17 and therefore denies the same.
6

7 18. Defendant Usmanov is without sufficient information to admit or
8 deny the allegations in Paragraph 18 and therefore denies the same.
9

10 19. Defendant Usmanov admits there is a document entitled the Giga
11 Watt Token Launch White Paper (“the White Paper”) and that its terms speak for
12 themselves.
13

14 20. Defendant Usmanov denies that Giga Watt sold WTT Tokens
15 pursuant to the GW ICO. Defendant Usmanov is without sufficient information
16 to admit or deny the remaining allegations in Paragraph 20.
17

18 21. Defendant Usmanov is without sufficient information to admit or
19 deny the allegations in Paragraph 21 and therefore denies the same.
20

21 22. Defendant Usmanov is without sufficient information to admit or
22 deny the allegations in Paragraph 22 and therefore denies the same.
23

24 23. Defendant Usmanov is without sufficient information to admit or
25 deny the allegations in Paragraph 23 and therefore denies the same.
26

27 24. Defendant Usmanov denies the allegations in Paragraph 24.
28

29 25. Defendant Usmanov admits that Giga Watt built facilities and
30 maintained the miners, but denies that revenues were not tied to individual
31

DEFENDANT TIMUR USMANOV’S ANSWER TO
FIRST AMENDED COMPLAINT: 4

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1 miners. Defendant Usmanov is without sufficient information to admit or deny
2 the remaining allegations in Paragraph 25 and therefore denies the same.
3

4 26. Defendant Usmanov is without sufficient information to admit or
5 deny the allegations in Paragraph 26 and therefore denies the same.
6

7 27. Defendant Usmanov is without sufficient information to admit or
8 deny the allegations in Paragraph 27 and therefore denies the same. The terms of
9 the White Paper speak for themselves.
10

11 28. Defendant Usmanov is without sufficient information to admit or
12 deny the allegations in Paragraph 28 and therefore denies the same. The terms of
13 the White Paper speak for themselves.
14

15 29. Defendant Usmanov is without sufficient information to admit or
16 deny the allegations in Paragraph 29 and therefore denies the same. The terms of
17 the White Paper speak for themselves.
18

19 30. Defendant Usmanov denies that the WTT Token sales proceeds were
20 collected on Giga Watt's behalf pursuant to the White Paper. Defendant
21 Usmanov is without sufficient information to admit or deny the remaining
22 allegations in Paragraph 30. The terms of the White Paper speak for themselves.
23

24 31. Defendant Usmanov is without sufficient information to admit or
25 deny the allegations in Paragraph 31 and therefore denies the same.
26

27 32. Defendant Usmanov denies the allegation that Carlson did not run
28 Giga Watt in Paragraph 32. Defendant Usmanov is without sufficient
29 information to admit or deny the allegations in Paragraph 32.
30

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 5

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1 information to admit or deny the remaining allegations in Paragraph 32 and
2 therefore denies the same.

3 33. Defendant Usmanov is without sufficient information to admit or
4 deny the allegations in Paragraph 33 and therefore denies the same.
5

6 34. Defendant Usmanov is without sufficient information to admit or
7 deny the allegations in Paragraph 34 and therefore denies the same.
8

9 35. Defendant Usmanov is without sufficient information to admit or
10 deny the allegations in Paragraph 35 and therefore denies the same
11

12 36. Defendant Usmanov is without sufficient information to admit or
13 deny the allegations in Paragraph 36 and therefore denies the same.
14

15 37. Defendant Usmanov is without sufficient information to admit or
16 deny the allegations in Paragraph 37 and therefore denies the same.
17

18 38. Defendant Usmanov is without sufficient information to admit or
19 deny the allegations in Paragraph 38 and therefore denies the same.
20

21 39. Admit.
22

23 40. Defendant Usmanov is without sufficient information to admit or
24 deny the allegations in Paragraph 40 and therefore denies the same.
25

26 41. The allegations contained in Paragraph 41 contain conclusions of
27 law requiring no response. To the extent a responsive pleading is required,
28 Defendant Usmanov is without sufficient information to admit or deny the
29 allegations in Paragraph 41 and therefore denies the same.
30

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 6

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1 42. Defendant Usmanov is without sufficient information to admit or
2 deny the allegations in Paragraph 42 and therefore denies the same.

3 43. Defendant Usmanov denies that he “ghostwrote” at least some of
4 Marina Mikhaylyuta’s letters, and Defendant Usmanov is without sufficient
5 information to admit or deny the remaining allegations in Paragraph 43 and
6 therefore denies the same.

7 44. Defendant Usmanov is without sufficient information to admit or
8 deny the allegations in Paragraph 44 and therefore denies the same.

9 45. Defendant Usmanov is without sufficient information to admit or
10 deny the allegations in Paragraph 45 and therefore denies the same.

11 46. Defendant Usmanov is without sufficient information to admit or
12 deny the allegations in Paragraph 46 and therefore denies the same.

13 47. Defendant Usmanov is without sufficient information to admit or
14 deny the allegations in Paragraph 47 and therefore denies the same.

15 48. The allegations contained in Paragraph 48 contain conclusions of
16 law requiring no response. Defendant Usmanov admits that he performed duties
17 as CFO for a time period and that he received a salary at Giga Watt for other
18 services from Kuzenny and Cryptonomos, but denies the remaining allegations in
19 Paragraph 48.

20 49. Defendant Usmanov is without sufficient information to admit or
21 deny the allegations in Paragraph 49 and therefore denies the same.

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25
DEFENDANT TIMUR USMANOV’S ANSWER TO
FIRST AMENDED COMPLAINT: 7

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1 50. Defendant Usmanov is without sufficient information to admit or
2 deny the allegations in Paragraph 50 and therefore denies the same.
3

4 51. Defendant Usmanov is without sufficient information to admit or
5 deny the allegations in Paragraph 51 and therefore denies the same.
6

7 52. Defendant Usmanov is without sufficient information to admit or
8 deny the allegations in Paragraph 52 and therefore denies the same.
9

10 53. Defendant Usmanov is without sufficient information to admit or
11 deny the allegations in Paragraph 53 and therefore denies the same.
12

13 54. Defendant Usmanov is without sufficient information to admit or
14 deny the allegations in Paragraph 54 and therefore denies the same.
15

16 55. Defendant Usmanov is without sufficient information to admit or
17 deny the allegations in Paragraph 55 and therefore denies the same.
18

19 56. Defendant Usmanov is without sufficient information to admit or
20 deny the allegations in Paragraph 56 and therefore denies the same.
21

22 57. Defendant Usmanov is without sufficient information to admit or
23 deny the allegations in Paragraph 57 and therefore denies the same.
24

25 58. Defendant Usmanov admits that he wrote a letter to Carlson at
Markin's request, but denies the remaining allegations in Paragraph 58.
26

27 59. Defendant Usmanov is without sufficient information to admit or
28 deny the allegations in Paragraph 59 and therefore denies the same.
29

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 8

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1 60. Defendant Usmanov denies the third and fourth sentences of
2 Paragraph 60. Defendant Usmanov is without sufficient information to admit or
3 deny the remaining allegations in Paragraph 60 and therefore denies the same.
4

5 61. Defendant Usmanov is without sufficient information to admit or
6 deny the allegations in Paragraph 61 and therefore denies the same.
7

8 62. Defendant Usmanov is without sufficient information to admit or
9 deny the allegations in Paragraph 62 and therefore denies the same.
10

11 63. Defendant Usmanov is without sufficient information to admit or
12 deny the allegations in Paragraph 63 and therefore denies the same.
13

14 64. Defendant Usmanov is without sufficient information to admit or
15 deny the allegations in Paragraph 64 and therefore denies the same.
16

17 65. Defendant Usmanov admits that he sent an email to Ness, and that
18 Ness responded. The statements within the email speak for themselves.
19

20 66. Defendant Usmanov admits that he sent an email to Ness. The
21 statements within the email speak for themselves.
22

23 67. The allegations contained in Paragraph 67 contain conclusions of
24 law requiring no response. To the extent a responsive pleading is required,
25 Defendant Usmanov is without sufficient information to admit or deny the
allegations in Paragraph 67 and therefore denies the same.

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 9

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1 69. Defendant Usmanov is without sufficient information to admit or
2 deny the allegations in Paragraph 69 and therefore denies the same.
3 70. Admit.

4 71. The allegations contained in Paragraph 71 contain conclusions of
5 law requiring no response. To the extent a responsive pleading is required,
6 Defendant Usmanov is without sufficient information to admit or deny the
7 allegations in Paragraph 71 and therefore denies the same.

8 72. Defendant Usmanov is without sufficient information to admit or
9 deny the allegations in Paragraph 72 and therefore denies the same.
10

11 73. Defendant Usmanov is without sufficient information to admit or
12 deny the allegations in Paragraph 73 and therefore denies the same.
13

14 74. Defendant Usmanov is without sufficient information to admit or
15 deny the allegations in Paragraph 74 and therefore denies the same.
16

17 75. Defendant Usmanov is without sufficient information to admit or
18 deny the allegations in Paragraph 75 and therefore denies the same.
19

20 76. Defendant Usmanov admits that he sent an email to Sandoval. The
21 statements within the email speak for themselves.
22

23 77. Defendant Usmanov denies the last sentence of Paragraph 77.
24 Defendant Usmanov is without sufficient information to admit or deny the
25 allegations in Paragraph 77 and therefore denies the same.
26

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 10

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1 78. The allegations contained in Paragraph 78 contain conclusions of
2 law requiring no response. To the extent a responsive pleading is required,
3 Defendant Usmanov is without sufficient information to admit or deny the
4 allegations in Paragraph 78 and therefore denies the same.
5

6 79. Defendant Usmanov denies the allegations in Paragraph 79.
7

8 80. Defendant Usmanov admits that he followed up with Cabou
9 regarding the grand jury subpoena on August 14, 2017 and that he included a
10 message that the USSS had sent to Evdokimov on August 7, 2017, but Defendant
11 Usmanov is without sufficient information to admit or deny the remaining
12 allegations in Paragraph 80 and therefore denies the same Admit.
13

14 81. Defendant Usmanov admits that he sent an email to Cabou. The
15 statements within the email speak for themselves.
16

17 82. Defendant Usmanov admits that Cabou sent him an email. The
18 statements within the email speak for themselves.
19

20 83. Defendant Usmanov is without sufficient information to admit or
21 deny the allegations in Paragraph 83 and therefore denies the same.
22

23 84. Admit.
24

25 85. Defendant Usmanov admits that he sent an email to Cabou. The
26 statements within the email speak for themselves.
27

28 86. Admit.
29

30 DEFENDANT TIMUR USMANOV'S ANSWER TO
31 FIRST AMENDED COMPLAINT: 11

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1 87. Defendant Usmanov is without sufficient information to admit or
2 deny the allegations in Paragraph 87 and therefore denies the same.
3
4

5 88. Defendant Usmanov admits that he sent an email to Cabou. The
6 statements within the email speak for themselves.
7
8

9 89. Defendant Usmanov admits that he exchanged correspondence with
10 Cabou. The statements within the emails speak for themselves. Defendant
11 Usmanov denies that he drew attention away from the “Singapore paper façade.”
12
13

14 90. Defendant Usmanov admits that he received the referenced writing
15 from Cabou on September 4, 2017, the terms of which speak for themselves, but
16 Defendant Usmanov denies the remaining allegations in Paragraph 90.
17
18

19 91. Defendant Usmanov admits that Orlov did not receive his salary
20 from Giga watt, but Defendant Usmanov is without sufficient information to
21 admit or deny the remaining allegations in Paragraph 91 and therefore denies the
22 same.
23
24

25 92. Defendant Usmanov admits that he exchanged correspondence with
Cabou. The statements within the emails speak for themselves.
19
20
21
22
23
24

25 93. Defendant Usmanov admits that he wrote the referenced statement to
Carlson on September 5, 2017 and that Kirsh wrote the referenced statement to
Usmanov that same day, but Defendant Usmanov is without sufficient
information to admit or deny the remaining allegations in Paragraph 93 and
therefore denies the same.
26
27
28
29
30

DEFENDANT TIMUR USMANOV’S ANSWER TO
FIRST AMENDED COMPLAINT: 12

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1 94. Defendant Usmanov admits the last two sentences of Paragraph 94,
2 but Defendant Usmanov is without sufficient information to admit or deny the
3 remaining allegations in Paragraph 94 and therefore denies the same.
4

5 95. Defendant Usmanov admits that he received an email from
6 Sandoval. The statements within the email speak for themselves..
7

8 96. Defendant Usmanov is without sufficient information to admit or
9 deny the allegations in Paragraph 96 and therefore denies the same.
10

11 97. Defendant Usmanov is without sufficient information to admit or
12 deny the allegations in Paragraph 97 and therefore denies the same.
13

14 98. Defendant Usmanov is without sufficient information to admit or
15 deny the allegations in Paragraph 98 and therefore denies the same.
16

17 99. Defendant Usmanov is without sufficient information to admit or
18 deny the allegations in Paragraph 99 and therefore denies the same.
19

20 100. Defendant Usmanov is without sufficient information to admit or
21 deny the allegations in Paragraph 100 and therefore denies the same.
22

23 101. Defendant Usmanov admits that he sent an email to Sandoval. The
24 statements within the email speak for themselves.
25

26 102. Defendant Usmanov is without sufficient information to admit or
27 deny the allegations in Paragraph 102 and therefore denies the same.
28

29 103. Admit.
30

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 13

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1 104. Defendant Usmanov admits that he sent an email to AA1 Solutions.
2 The statements within the email speak for themselves.

3 105. Defendant Usmanov admits that Giga Watt bounced from bank to
4 bank, but Defendant Usmanov is without sufficient information to admit or deny
5 the allegations in Paragraph 105 and therefore denies the same.

6
7 106. Defendant Usmanov is without sufficient information to admit or
8 deny the allegations in Paragraph 106 and therefore denies the same.

9
10 107. Defendant Usmanov is without sufficient information to admit or
11 deny the allegations in Paragraph 107 and therefore denies the same.

12 108. Defendant Usmanov is without sufficient information to admit or
13 deny the allegations in Paragraph 108 and therefore denies the same.

14 109. Defendant Usmanov denies the allegations in Paragraph 109.

15 110. Defendant Usmanov is without sufficient information to admit or
16 deny the allegations in Paragraph 110 and therefore denies the same.

17 111. Defendant Usmanov is without sufficient information to admit or
18 deny the allegations in Paragraph 111 and therefore denies the same.

19
20 112. The allegations contained in Paragraph 112 contain conclusions of
21 law requiring no response. To the extent a responsive pleading is required,
22 Defendant Usmanov is without sufficient information to admit or deny the
23 allegations in Paragraph 112 and therefore denies the same.

24
25
DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 14

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1 113. The allegations contained in Paragraph 113 contain conclusions of
2 law requiring no response. To the extent a responsive pleading is required,
3 Defendant Usmanov is without sufficient information to admit or deny the
4 allegations in Paragraph 113 and therefore denies the same.
5

6 114. The allegations contained in Paragraph 114 contain conclusions of
7 law requiring no response. To the extent a responsive pleading is required,
8 Defendant Usmanov is without sufficient information to admit or deny the
9 allegations in Paragraph 114 and therefore denies the same.

10 115. Defendant Usmanov admits that Giga Watt would have had to be
11 running approximately 22 megawatts of power to service all the sold WTT
12 Tokens, Defendant Usmanov is without sufficient information to admit or deny
13 the allegations in Paragraph 115 and therefore denies the same.
14

15 116. Defendant Usmanov is without sufficient information to admit or
16 deny the allegations in Paragraph 116 and therefore denies the same.
17

18 117. Defendant Usmanov is without sufficient information to admit or
19 deny the allegations in Paragraph 117 and therefore denies the same.
20

21 118. Defendant Usmanov is without sufficient information to admit or
22 deny the allegations in Paragraph 118 and therefore denies the same.
23

24 119. Defendant Usmanov is without sufficient information to admit or
25 deny the allegations in Paragraph 119 and therefore denies the same.
26

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 15

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1 120. Defendant Usmanov denies the first sentence of Paragraph 120, but
2 Defendant Usmanov is without sufficient information to admit or deny the
3 allegations in Paragraph 120 and therefore denies the same.
4

5 121. Defendant Usmanov is without sufficient information to admit or
6 deny the allegations in Paragraph 121 and therefore denies the same.
7

8 122. Defendant Usmanov is without sufficient information to admit or
9 deny the allegations in Paragraph 122 and therefore denies the same.
10

11 123. Defendant Usmanov is without sufficient information to admit or
12 deny the allegations in Paragraph 123 and therefore denies the same.
13

14 124. Defendant Usmanov is without sufficient information to admit or
15 deny the allegations in Paragraph 124 and therefore denies the same.
16

17 125. Defendant Usmanov admits that Cryptonomos made loans to Giga
18 Watt, but denies the allegations in Paragraph 125.
19

20 126. Defendant Usmanov is without sufficient information to admit or
21 deny the allegations in Paragraph 126 and therefore denies the same.
22

23 127. Defendant Usmanov is without sufficient information to admit or
24 deny the allegations in Paragraph 127 and therefore denies the same.
25

26 128. Defendant Usmanov is without sufficient information to admit or
27 deny the allegations in Paragraph 128 and therefore denies the same.
28

29 129. The allegations contained in Paragraph 129 contain conclusions of
30 law requiring no response. To the extent a responsive pleading is required,
31

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 16

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1 Defendant Usmanov is without sufficient information to admit or deny the
2 allegations in Paragraph 129 and therefore denies the same.
3

4 130. Defendant Usmanov is without sufficient information to admit or
denies the allegations in Paragraph 130 and therefore denies the same.
5

6 131. The allegations contained in Paragraph 131 contain conclusions of
law requiring no response. To the extent a responsive pleading is required,
7 Defendant Usmanov denies the same.
8

9 132. Defendant Usmanov is without sufficient information to admit or
10 deny the allegations in Paragraph 132 and therefore denies the same.
11

12 133. Defendant Usmanov admits the first sentence of Paragraph 133, but
Defendant Usmanov is without sufficient information to admit or deny the
13 allegations in Paragraph 133 and therefore denies the same.
14

15 134. Defendant Usmanov is without sufficient information to admit or
16 deny the allegations in Paragraph 134 and therefore denies the same.
17

18 135. Defendant Usmanov is without sufficient information to admit or
deny the allegations in Paragraph 135 and therefore denies the same.
19

20 136. The allegations contained in Paragraph 136 contain conclusions of
law requiring no response. To the extent a responsive pleading is required,
21 Defendant Usmanov is without sufficient information to admit or deny the
22 allegations in Paragraph 136 and therefore denies the same.
23
24
25

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 17

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137. Defendant Usmanov is without sufficient information to admit or deny the allegations in Paragraph 137 and therefore denies the same.

138. Defendant Usmanov is without sufficient information to admit or deny the allegations in Paragraph 138 and therefore denies the same.

FIRST CLAIM FOR RELIEF

(Breach of Fiduciary Duty – Perkins)

139. Defendant Usmanov's answers to the above allegations are incorporated by reference as if set forth herein.

140. The allegations contained in Paragraph 140 contain conclusions of law requiring no response. To the extent a responsive pleading is required, Defendant Usmanov denies the same.

141. The allegations contained in Paragraph 141 contain conclusions of law requiring no response. To the extent a responsive pleading is required, Defendant Usmanov denies the same.

142. The allegations contained in Paragraph 142 contain conclusions of law requiring no response. To the extent a responsive pleading is required, Defendant Usmanov denies the same.

143. The allegations contained in Paragraph 143 contain conclusions of law requiring no response. To the extent a responsive pleading is required, Defendant Usmanov denies the same.

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 18

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1 144. The allegations contained in Paragraph 144 contain conclusions of
2 law requiring no response. To the extent a responsive pleading is required,
3 Defendant Usmanov denies the same.

4 145. The allegations contained in Paragraph 145 and its subparts (a)
5 through (b) contain conclusions of law requiring no response. To the extent a
6 responsive pleading is required, Defendant Usmanov denies the same.

7 146. The allegations contained in Paragraph 146 contain conclusions of
8 law requiring no response. To the extent a responsive pleading is required,
9 Defendant Usmanov denies the same.

10 147. The allegations contained in Paragraph 147 contain conclusions of
11 law requiring no response. To the extent a responsive pleading is required,
12 Defendant Usmanov denies the same.

13 148. The allegations contained in Paragraph 148 contain conclusions of
14 law requiring no response. To the extent a responsive pleading is required,
15 Defendant Usmanov denies the same.

16 149. The allegations contained in Paragraph 149 contain conclusions of
17 law requiring no response. To the extent a responsive pleading is required,
18 Defendant Usmanov denies the same.

19 150. The allegations contained in Paragraph 150 contain conclusions of
20 law requiring no response. To the extent a responsive pleading is required,
21 Defendant Usmanov denies the same.

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DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 19

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SECOND CLAIM FOR RELIEF

(Breach of Trust – RCW 11.98.085 – Perkins)

151. Defendant Usmanov's answers to the above allegations are incorporated by reference as if set forth herein.

152. The allegations contained in Paragraph 152 contain conclusions of law requiring no response. To the extent a responsive pleading is required, Defendant Usmanov denies the same.

153. The allegations contained in Paragraph 153 contain conclusions of law requiring no response. To the extent a responsive pleading is required, Defendant Usmanov denies the same.

154. Defendant Usmanov is without sufficient information to admit or deny the allegations in Paragraph 154 and therefore denies the same.

THIRD CLAIM FOR RELIEF

(Breach of Fiduciary Duty – Usmanov)

155. Defendant Usmanov's answers to the above allegations are incorporated by reference as if set forth herein.

156. The allegations contained in Paragraph 156 contain conclusions of law requiring no response. To the extent a responsive pleading is required, Defendant Usmanov denies the same.

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 20

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1 157. The allegations contained in Paragraph 157 contain conclusions of
2 law requiring no response. To the extent a responsive pleading is required,
3 Defendant Usmanov denies the same.

4 158. The allegations contained in Paragraph 158 contain conclusions of
5 law requiring no response. To the extent a responsive pleading is required,
6 Defendant Usmanov denies the same.

7 159. The allegations contained in Paragraph 159 and its subparts (a)
8 through (e) contain conclusions of law requiring no response. To the extent a
9 responsive pleading is required, Defendant Usmanov denies the same.

10 160. The allegations contained in Paragraph 160 contain conclusions of
11 law requiring no response. To the extent a responsive pleading is required,
12 Defendant Usmanov denies the same.

13 161. The allegations contained in Paragraph 161 contain conclusions of
14 law requiring no response. To the extent a responsive pleading is required,
15 Defendant Usmanov denies the same.

16 162. The allegations contained in Paragraph 162 contain conclusions of
17 law requiring no response. To the extent a responsive pleading is required,
18 Defendant Usmanov denies the same.

19 163. The allegations contained in Paragraph 163 contain conclusions of
20 law requiring no response. To the extent a responsive pleading is required,
21 Defendant Usmanov denies the same.

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DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 21

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1 164. The allegations contained in Paragraph 164 contain conclusions of
2 law requiring no response. To the extent a responsive pleading is required,
3 Defendant Usmanov denies the same.
4

5 165. Defendant Usmanov is without sufficient information to admit or
6 deny the allegations in Paragraph 165 and therefore denies the same.
7

8 166. Defendant Usmanov is without sufficient information to admit or
9 deny the allegations in Paragraph 166 and therefore denies the same.
10

11 167. Defendant Usmanov is without sufficient information to admit or
12 deny the allegations in Paragraph 167 and therefore denies the same.
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14 168. Defendant Usmanov is without sufficient information to admit or
15 deny the allegations in Paragraph 168 and therefore denies the same.
16

17 169. Defendant Usmanov is without sufficient information to admit or
18 deny the allegations in Paragraph 169 and therefore denies the same.
19

PRAYER

20 Defendant Usmanov denies that Plaintiffs are entitled to the relief they seek.
21

GENERAL DENIAL OF ALLEGATIONS

22 In further answer to the Complaint, Defendant Usmanov denies, generally
23 and specifically, each and every allegation and implication contained in the First
24 Amended Complaint not specifically and expressly admitted herein.
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DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 22

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AFFIRMATIVE DEFENSES

By way of further answer and by way of affirmative defense, and without prejudice to any other position taken herein, Defendant Usmanov alleges and states as follows:

1. Failure to State a Claim. Plaintiff fails to state a claim upon which relief may be granted.

2. Waiver and Estoppel. Plaintiff, by its conduct and/or acts, words, or silence, has waived or is otherwise estopped from asserting claims.

3. Statute of Limitations. Plaintiff's claims are barred by the applicable statutes of limitation.

4. Unclean Hands. Plaintiff's claims are barred by the doctrine of unclean hands.

5. Laches. Plaintiff's claims are barred by the doctrine of laches.

6. Acquiescence. Plaintiff's Complaint is barred as Plaintiff has consented to and acquiesced to the purported acts of which they now complain.

7. Failure to Mitigate. Plaintiff has failed to mitigate its damages and protect itself from avoidable consequences.

8. Contributory Negligence. To the extent that Plaintiff suffered any damages, such damages were caused by its own contributory fault.

9. Justification. Defendant Usmanov's actions have been fully justified and privileged.

10. Good Faith. Defendant Usmanov's acted reasonably and in good faith at all times material herein, based on all relevant facts and circumstances

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 23

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known by him at the time he so acted.

11. Business Judgement Rule. Defendants are protected by the business judgment rule, as all decisions lie within a range of reasonable alternatives.

12. Right to Amend. As investigation into the matter has just commenced, Defendant Usmanov reserves the right to amend and supplement this Answer, including the assertion of affirmative defenses, cross-claims, and counterclaims.

PRAYER FOR RELIEF

WHEREFORE, Defendant Usmanov prays for the following relief:

1. That Plaintiff's Complaint be dismissed with prejudice and that Plaintiff takes nothing thereunder.

2. For an award of attorneys' fees and costs against Plaintiff under applicable statute, contract, or any other equitable or legal basis;

3. For the right to amend this Answer;

4. For any additional and further relief deemed just and equitable.

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DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 24

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1 DATED this 2nd day of February 2023.

2 LUKINS & ANNIS, P.S.

3

4 By: 

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6 ZAINE M. YZAGUIRRE, WSBA #58265
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11 Email: rjohnson@lukins.com
12 Email: zyzaguirre@lukins.com

13 Attorneys for Defendant Timur Usmanov

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DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 25

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CERTIFICATE OF SERVICE

I certify that on February 3, 2023, I electronically filed a copy of the foregoing document with the Clerk of the Court using the CM/ECF System, which will send electronic notification of the filing to the following: N/A

and I hereby certify that I have mailed by United States Postal Service the document to the following non-CM/ECF participants:

Pamela M. Egan, WSBA No. 54736
Potomac Law Group LLC
1905 7th Ave W.
Seattle, WA 98119

Signed this 3rd day of February, 2023 at Spokane, Washington.

in 

TESSA MCCOY

DEFENDANT TIMUR USMANOV'S ANSWER TO
FIRST AMENDED COMPLAINT: 26

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